

Highlights of the Trade Adjustment Assistance Program

As Revised by the Trade Reform Act of 2002

Topic	New TAA
Program Consolidation	Old TAA – two separate programs, TAA and NAFTA TAA. New legislation consolidates into one TAA program; repeals NAFTA/TAA
Parties Who May File	<ul style="list-style-type: none"> - a group of 3 workers - a company official - duly authorized representative of the workforce New legislation expands parties who may file
Locations Where Parties File	Requires simultaneous filing with State dislocated worker unit (Trade section) and Department of Labor
Determination Period	DOL determines petitions 40 days from receipt
Eligibility: Primary Workers	Covers workers affected by layoffs due to decrease in sales and/or production, as a result of : <ul style="list-style-type: none"> - Increased imports - Workers' firm has shifted production of like articles to certain countries
Eligibility: Secondary Workers: Suppliers	Expands to secondary workers that directly supply primary firms and either: <ul style="list-style-type: none"> - Component is at least 20% of production OR loss of business with the primary firm must contribute importantly to job loss

Eligibility: Secondary Workers: Downstream producers	Expands to secondary worker who finish or assemble articles produced by primary firms where: - <u>Primary</u> firm is certified due to imports from, or shifts in production to, Canada or Mexico
Training: Enrollment Period	Requires enrollment within 16 weeks of separation or 8 weeks of certification.* Adds 45 days for extenuating circumstances with approval (from state office). *Note: we use the date the certification was published in the Federal Register.
Training: Waivers from training requirement (for eligibility for TRA)	Allows waivers under 6 specific conditions, including one clearly defined criteria for retirement. Note: At this time waivers are only good for six months.
Training: On the job training	Authorizes and encourages “employer-based” training which includes both OJT and customized training without some of the restrictions under old TAA. Customized training is training designed to meet the needs of an employer or group of employers and is conducted with a commitment to hire the individual/s upon completion of the training.
Income Support	New legislation increases maximum amount from 78 weeks to up to 104 weeks, (if in full time approved training). Allows additional time (up to 130 weeks) if worker needs remedial training on the front end of training.
Income Support: Training breaks	Provides continuous support if break is less than 30 days (increased from 14 days).
Funds Available	TAA \$220M annually nationwide for training, relocation and job search.
Job search Allowances	Reimburses 90% of costs up to \$1,250 (increased)
Relocation Allowances	90% of moving costs to move household of up to 18,000 lbs., and up to \$1,250 stipend (increased)

Wage Supplement program for Older Workers	Alternative Trade Adjustment Assistance program (ATAA) allows workers over 50 to supplement decrease in income. To be implemented by 8/3/03.
Health Insurance Provisions	Creates 65% health insurance tax credit (HITC) for TRA eligible workers for eligible insurance plans. Tax credit may be claimed for December, 02. "advanceable credits" to be implemented by 8/3/03.
Adjustment Assistance for Companies	This is an established program, run by the US Department of Commerce. New legislation adds funding of \$16M to extend program through 2007. Note: our contact is the Great Lakes Trade Adjustment Assistance Center whose mission is to help small and medium-sized manufacturers stay competitive in the global marketplace.
Adjustment Assistance for Farmers	Authorizes a new program, run by Department of Agriculture. Entitles eligible agricultural commodity producers to certain benefits arranged and paid for by Agriculture. Not implemented yet in Indiana.
Performance Management and Accountability	DOL will place greater emphasis on performance reporting and outcomes. Performance measures include wage replacement and job retention measures following exit from program.